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Producers-cum-Consumers' Co-operative Societies in Malabar district.

* 522 *Q.*—SRI KUNHI MUHAMED SHAFEE: Will the Hon. the Minister for Finance be pleased to state the total number of retail ration shops now run by each of the Producers-*cum*-Consumers' Co-operative Societies in Malabar district and the profit earned or loss suffered by each of those societies on account of running the retail ration shops after the procurement and sale of local paddy were stopped by them (up to 31st March 1953)?

THE HON. SRI C. SUBRAMANIAM:—"A statement[a] is placed on the table of the House."

[*Note.*—An asterisk (*) at the commencement of a speech indicates revision by the Member.]

III.—ADJOURNMENT MOTIONS.

(1) CLOSURE OF THE COMMONWEALTH TILE FACTORY, KODAKKAL, SOUTH MALABAR.

MR. SPEAKER:—"I have received notice of the following adjournment motion from Sri K. P. Gopalan. It reads as follows:—

'This Assembly stands adjourned to discuss an urgent matter of public importance, namely, the closing down of the Commonwealth Tile Factory, Kodakkal, South Malabar, on 4th July 1953 in violation of section 33 of the Industrial Disputes Act as there is an industrial dispute pending before the Conciliation Court, Kozhikode, between the management and workers of the factory, and resulting unemployment and starvation to more than 300 workers of the factory and their families and the failure of the Government to take suitable action against the management and to intervene in the matter properly and effectively.'

I wish to know from the hon. Member how this matter comes under the rules and after hearing the Hon. Minister I will give my ruling on the motion."

SRI K. P. GOPALAN:—"Mr. Speaker, Sir, the Commonwealth Tile Factory, Kodakkal, was closed . . ."

MR. SPEAKER:—"Is the factory privately owned or managed by Government?"

* SRI K. P. GOPALAN:—"It is a private factory managed by the Commonwealth Trust, Limited—a British concern. I wish to bring to the notice of this House that the closure of the factory is illegal. The period of closure had not been stated in the notice put up by the Management. If we examine the decisions of the Appellate Tribunal and of so many other Industrial Tribunals, we will find that all of them are unanimously of the view that if a factory is to be closed, the management of the factory should state the period of closure . . ."

MR. SPEAKER:—"I wish to know how the Government are responsible for the closure of the factory?"

* SRI K. P. GOPALAN:—"The closure of the factory without stating the period of closure is against the decisions of the Appellate Tribunal as well as other Industrial Tribunals in India. Secondly,

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[a] Printed as Appendix VI on pages 228–231 infra.

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it is also an admitted fact that the Appellate Tribunal as well as the other Industrial Tribunals of this country have already made decisions that if a factory is to be closed permanently or temporarily, the workers are to be given involuntary unemployment allowance. In the notice of the Management closing down the Commonwealth Tile Factory, it has not been stated . . ."

MR. SPEAKER :—" The Government are not responsible for this."

SRI K. P. GOPALAN :—" Sir, the third point which I wish to bring before you is important. According to section 33 of the Industrial Disputes Act, if there is a dispute pending before a Conciliation Court or an Industrial Tribunal or the Appellate Tribunal, then without the consent of the Appellate Tribunal or Industrial Tribunal or Conciliation Court, the factory should not be closed. The management must take permission from the appropriate authorities before closing the factory. If this provision is violated by the management of the factory, it can be prosecuted . . ."

MR. SPEAKER :—" In that case, the remedy is to go to the Court."

* SRI K. P. GOPALAN :—" Sir, if it is brought to the notice of the Government that a factory is closed in violation of section 33 of the Industrial Disputes Act, it is their duty to see that the factory is not closed. After the management put up the closure notice, the registered labour union gave notices to the Government, to the District Collector and to the Conciliation Officer that the management was proposing to do an illegal act and that it was the duty of the Government to prevent it. But the Government did not intervene in the matter. As a result of the failure of the Government to take immediate action in the matter, 300 families are starving. I want to bring to the notice of the Hon. Minister in charge of Labour that this Commonwealth Tile Factory is being managed by the Commonwealth Trust and that the Management enjoys some privileges given by the Government. Firstly the Commonwealth Trust is exempted from sections 79 and 81 of the Factories Act. It is also exempted from the observance of rules relating to the grant of dearness allowance."

MR. SPEAKER :—" Let the hon. Member come to the point and prove that the motion is in order."

* SRI K. P. GOPALAN :—" My point is this, Sir. When a registered labour union has brought before the Government that a particular factory is to be closed in violation of section 33 of the Industrial Disputes Act, it is the duty of the Government and the local authorities to see that justice is done to the workers by asking the management of the factory not to close it. The Government have failed in their duty to come to the rescue of the workers. They have also failed to implement the Industrial Disputes Act. This is a very important matter, Sir. As far as my district of Malabar is

concerned, closing down factories in violation of the provisions of the Industrial Disputes Act is the order of the day. I consider this matter a very important and urgent one."

Sri P. RAMAMURTHI :—" Sir, the main point that is involved in this adjournment motion is this. The Government have got a specific responsibility in these disputes. We are not bothered about the fact that the factory in question is a privately managed one. But we are certainly concerned with the economy of the country and with the well being of the people."

Mr. SPEAKER :—" Every so many cases occur and it is a routine matter."

Sri P. RAMAMURTHI :—" Sir, because a large number of private employers are closing down their factories according to their sweet will and pleasure and as the community at large has got a certain interest in this matter, Parliament recently enacted a new legislation called the Industries Control Act wherein provisions have been made to enable the local Government to intervene in such matters and also to take over all those managements where private employers threaten to close down the factories or are closing the factories. Here is a case in which a private employer who, in order to avoid the clutches of the law of the land, namely, the Industrial Disputes Act, just closes down the factory, throws hundreds of people out of employment and creates hardship to the community at large. Therefore, the Provincial Government have got a specific responsibility in the matter to write to the Central Government and get sufficient powers to immediately take over the factory. The failure of the Government to take this step is the question that is now involved in the adjournment motion.

10-40 a.m. " This is a matter of urgency because this has happened recently and this is also a matter of public importance because it involves the question of the economic well being of the State. Therefore, I think this adjournment motion must be allowed."

* The Hon. Dr. U. KRISHNA RAO :—" Sir, I am not questioning the validity of this motion on the ground that this factory is a private factory. I am not taking my stand on that. The fact is that this management is closing down because it has got too much stock-in-hand. Sir, my friends are aware, and I can quote the decision of the Labour Appellate Tribunal as published at page 614, Volume II, 1952, that temporary suspension of work due to accumulation of stocks will not amount to a lock-out and there is no violation of section 33 of the Act. The Industrial Tribunal, Madurai, in its award published at page 195, Volume III, 1952, had come to the same conclusion. The decision of the Ernakulam Tribunal at page 640, Volume I, is also to a similar effect. I am also aware, Sir, and, I am sure, my hon. Friends are aware, that the decision of the High Court is that any person has got a perfect right to close down his business if he is losing. Whether this Company is losing or not is a matter for investigation. I can assure the hon. Member that this aspect is being examined.

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Closure is perfectly within the right of an individual and he need not give any notice. He can go on closed till such time as the stocks on his hand are disposed of. As already stated, the question whether the Company has incurred any loss is being examined by the Government. With regard to the point that the Company has violated section 33 of the Industrial Disputes Act, I have to state that so far as my information goes, the conciliation proceedings began on the 22nd June 1953 and the notice of closure was given on the 18th June—not during the pendency of the proceedings but in advance of it—and therefore the Company did not violate section 33 of the Act. I, therefore, submit that it is not within our rights to discuss this question. But so far as the second part is concerned, we will examine the question and inform the Labour Union."

THE HON. SRI C. RAJAGOPALACHARI :—" It will facilitate the Government to examine the position if the hon. Members opposite do not press this motion."

SRI K. P. GOPALAN :—" Sir, I am very sorry . . ."

MR. SPEAKER :—" If you press the motion, I will give my ruling."

SRI P. RAMAMURTHI :—" Before any ruling is given, I would also like to make one submission and that is, the Hon. Minister for Industries and Labour has himself pointed out that it is certainly open to this House to discuss the question."

MR. SPEAKER :—" I certainly agree that there is no question of concession in that."

SRI P. RAMAMURTHI :—" It is a fact that the Chair has got the right and the privilege to give a ruling on any subject so far as this House is concerned. But the question with which we are now concerned is not whether the management has contravened section 53 or section 29 or section 33 of the Industrial Disputes Act and certainly I should say that the Hon. Minister for Industries and Labour has proved himself to be an able advocate for the management from the statement he has made on the floor of the House. The question is whether any private employer has got a right to close down his factory or concern which he is running at any time and whether the Government can interfere by having recourse to the law (the various provisions of the Industrial Disputes Act). But in view of the fact that the Government have stated that they are looking into the matter, we are not pressing the motion."

* SRI K. P. GOPALAN :—" Before that, will you kindly permit me to speak a few words? "

MR. SPEAKER :—" The Hon. Minister for Industries and Labour has already dealt with the question."

* SRI K. P. GOPALAN :—" I want to clear the statement of the Hon. Minister. One thing is that the conciliation proceedings were not stopped and even now they are continued. The Labour

Officer has postponed the proceedings. The second thing is that in 1948–49 there were about 18 lakhs of tiles stocked in that Company. They did not close the factory then. The tile factory is a seasonal factory."

MR. SPEAKER :—" You are simply arguing the question without coming to the point."

SRI K. P. GOPALAN :—" During this season there will generally be large stocks on hand in the tile factories. So in this case the management purposely closed down the factory throwing out of employment a large number of workers. That is the motive behind that. As the Hon. Chief Minister has already assured that he will look into the matter and make an enquiry, I am not going to press this motion."

(2) UNREST AMONG AGRICULTURAL LABOURERS IN PALNAD TALUK, GUNTUR DISTRICT, ON ACCOUNT OF CANCELLATION OF CULTIVATION RIGHTS.

MR. SPEAKER :—" I have received notice of the following adjournment motion from Sri K. Subba Reddi :—

'This House stands adjourned to discuss a matter of urgent public importance, viz., the arrest and unrest among the agricultural labourers prevailing in Palnad taluk, Guntur district, due to the cancellation of the cultivation rights of banjar lands given to the agricultural labourers of Tummaracotte in Palnad taluk, Guntur district, on 23rd November 1952.'

I will hear the hon. Member and give my ruling afterwards."

SRI K. SUBBA REDDI :—" అధ్యక్షా, ఇప్పుడు ఈ సమస్యనుగురించి గుంటూరు జిల్లాలోని పల్నాడు తాలూకాలో చాలా ఆందోళన జరుగుచున్నది. కారణ మేమిటంటే అది కరువు ప్రాంతము. అనేక సంవత్సరాలనుంచి, అది కరువు ప్రాంతముగా ఉన్నది."

MR. SPEAKER :—" It comes under matters of day-to-day administration."

SRI K. SUBBA REDDI :—" దయచేసి నేను చెప్పునది ఒక నిమిషము వినవలసిందని కోరుచున్నాను. పోయిన సంవత్సరం మేము, మా ప్రజల తరపున, మంత్రిగారి వద్దకును కన్సర్వేటరు వద్దకును వచ్చి భూమిని సేద్యమునకు ఇవ్వమని అనేక పర్యాయములు చెప్పుకొన్నమీదట, వాళ్లు అక్కడి పరిస్థితులు గమనించి భూమిని సేంక్షన్ చేశారు. 1952 వ సం॥ నవంబరు 23 వ తారీఖున ఆ భూమిని సేద్యానికి ఇచ్చినట్లు ఆర్డరువేశారు. ఆ ఆర్డరు కాపీని నాకు పంపించారు. ఇంకొక కాపీని జిల్లా ఫారెస్టు ఆఫీసరుకు పంపించారు. కాని దానిని తరువాత అమలు జరుగకుండా చేశారు. కాకినాడకు కన్సర్వేటరు వచ్చినప్పుడు, దానిని అమలు జరుగనివ్వండి అంటే దానికి ఆటంకంపెట్టి గందరగోళం చేశారు. వారి ముందు నిర్ణయాన్ని 1953 వ సం॥ ఫిబ్రవరి 19 వ తారీఖున డ్రాప్ చేసినట్లుగా ఎవరికి తెలియపరచ లేదు. తదుపరి ఆ భూమిలో వ్యవసాయకులు సేద్యం చేసుకొనుచుండగా, కొంత మందిని అరెస్టు చేశారు. ఈ నెల 4 వ తారీఖున కొంతమందిని అరెస్టుచేసి, ఒకటిన్నర రోజులు వారిని సబ్ జైలులో ఉంచి, వారికి తిండికూడా పెట్టకుండా వదలివేశారు. తరువాత 7 వ తారీఖున ఒక గ్రామంలో ఏడుగురు రైతులను